

**RECONCILIATION OF BUSINESS
SEGMENT DATA TO FINANCIAL
STATEMENTS**

(In millions)	2003	2002	2001
Pre-tax operating income - business segments.....	\$ 226.8	\$ 228.2	\$ 220.5
Minority interest.....	(1.2)	2.2	3.7
(Loss) gain on sale of investments and disposal of assets.....	(1.5)	1.9	9.7
Provision for environmental remediation.....	(142.5)	(70.7)	(5.8)
Provision for asbestos-related litigation.....	(30.0)	--	--
Interest expense and related financing costs.....	(15.6)	(20.0)	(37.1)
Corporate costs.....	(78.1)	(47.4)	(33.0)
Other, net.....	(11.8)	(1.8)	3.7
(Loss) income from operations before Chapter 11 expenses, income taxes, and minority interest.....	\$ (53.9)	\$ 92.4	\$ 161.7
Depreciation and amortization - business segments.....	\$ 100.7	\$ 93.7	\$ 88.1
- corporate.....	2.2	1.2	1.1
Total depreciation and amortization	\$ 102.9	\$ 94.9	\$ 89.2
Capital Expenditures - business segments.....	\$ 84.6	\$ 87.4	\$ 62.1
- corporate.....	1.8	3.7	0.8
Total capital expenditures....	\$ 86.4	\$ 91.1	\$ 62.9
Total assets - business segments.....	\$ 1,406.3	\$ 1,262.8	\$ 1,186.0
- corporate.....	581.6	551.6	558.1
Asbestos-related receivables..	269.4	282.6	283.7
Deferred tax assets.....	616.9	594.7	525.4
Total assets.....	\$ 2,874.2	\$ 2,691.7	\$ 2,553.2

20. QUARTERLY SUMMARY AND STATISTICAL INFORMATION (UNAUDITED)

===== QUARTERLY SUMMARY AND STATISTICAL INFORMATION (Unaudited) (In millions, except per share) =====

	MARCH 31	JUNE 30	SEPTEMBER 30	DECEMBER 31 (1)
2003				
Net sales	\$444.8	\$503.4	\$521.0	\$511.3
Cost of goods sold.....	296.7	329.7	336.5	326.9
Net (loss) income.....	(2.3)	6.5	(9.9)	(49.5)
Net (loss) income per share: (2)				
Basic earnings per share:				
Net (loss) income.....	\$ (0.04)	\$ 0.10	\$ (0.15)	\$ (0.75)
Diluted earnings per share:				
Net (loss) income.....	(0.04)	0.10	(0.15)	(0.75)
Market price of common stock: (3)				
High.....	\$ 2.89	\$ 4.41	\$ 5.52	\$ 3.84
Low.....	1.48	1.65	2.57	2.34
Close.....	1.48	4.41	3.10	2.57
2002				
Net sales.....	\$413.2	\$471.8	\$480.0	\$454.7
Cost of goods sold.....	259.9	294.2	300.0	294.0
Net income (loss).....	12.4	21.2	14.0	(25.5)
Net income (loss) per share: (2)				
Basic earnings per share:				
Net income (loss).....	\$0.19	\$ 0.32	\$ 0.21	\$ (0.39)
Diluted earnings per share:				
Net income (loss).....	0.19	0.32	0.21	(0.39)
Market price of common stock: (3)				
High.....	\$2.47	\$ 3.75	\$ 3.05	\$ 2.50
Low.....	1.56	2.13	1.46	0.99
Close.....	2.20	3.00	1.60	1.96

(1) Fourth quarter 2003 net loss includes \$120.0 million for pre-tax charges to adjust Grace's estimated liability for environmental remediation and asbestos-related property damage. Fourth quarter 2002 net loss includes a \$51.0 million pre-tax charge to adjust Grace's estimate of defense and other probable costs to resolve cost recovery claims by the EPA for clean-up of vermiculite in and around Libby, Montana.

(2) Per share results for the four quarters may differ from full-year per share results, as a separate computation of the weighted average number of shares outstanding is made for each quarter presented.

(3) Principal market: New York Stock Exchange.

FINANCIAL SUMMARY (1)
(In millions, except per share amounts)

	(RESTATED) 2003	2002	2001	2000	1999
STATEMENT OF OPERATIONS					
Net sales	\$ 1,980.5	\$ 1,819.7	\$ 1,722.9	\$ 1,597.4	\$ 1,550.9
(Loss) income from continuing operations before Chapter 11 expenses, income taxes, and minority interest (2).....	(53.9)	92.4	161.7	(19.7)	203.4
(Loss) income from continuing operations (2)	(55.2)	22.1	78.6	(89.7)	130.2
Income from discontinued operations (2)	--	--	--	--	5.7
Minority interest in consolidated entities	1.2	(2.2)	(3.7)	--	--
Net (loss) income	(55.2)	22.1	78.6	(89.7)	135.9
FINANCIAL POSITION					
Current assets (3)	\$ 928.9	\$ 830.3	\$ 741.3	\$ 773.9	\$ 779.8
Current liabilities (3)	254.4	247.3	236.1	1,092.9	769.4
Properties and equipment, net	656.6	622.2	590.3	601.7	617.3
Total assets (3)	2,874.2	2,691.7	2,521.1	2,584.9	2,475.1
Total debt not subject to compromise (3)	6.8	4.3	6.9	421.9	136.2
Liabilities subject to compromise	2,452.3	2,334.7	2,311.5	--	--
Shareholders' equity (deficit)	(163.8)	(222.2)	(141.7)	(71.3)	111.1
CASH FLOW					
Operating activities (3)	\$ 110.8	\$ 195.5	\$ 14.6	\$ (143.7)	\$ 130.5
Investing activities	(109.1)	(110.7)	(131.4)	(94.0)	89.4
Financing activities (3)	(4.7)	(9.2)	123.7	239.9	(80.9)
Net cash flow (3)	25.6	91.7	--	(7.9)	134.5
DATA PER COMMON SHARE (DILUTED)					
(Loss) income from continuing operations (2)	\$ (0.84)	\$ 0.34	\$ 1.20	\$ (1.34)	\$ 1.76
Net (loss) income	(0.84)	0.34	1.20	(1.34)	1.84
Average common diluted shares outstanding (thousands)	65,500	65,500	65,400	66,800	73,800
OTHER STATISTICS					
Capital expenditures	\$ 86.4	\$ 91.1	\$ 62.9	\$ 64.8	\$ 82.5
Common stock price range	\$1.48-5.52	\$0.99-3.75	\$1.31-4.38	\$ 1.94-14.94	\$11.81-21.00
Common shareholders of record	10,734	11,187	11,643	12,240	13,215
Number of employees - continuing operations	6,300	6,400	6,400	6,300	6,300

(1) Certain prior-year amounts have been reclassified to conform to the 2003 presentation.

(2) Amounts contain a provision for environmental remediation of \$142.5 million and a provision for asbestos-related claims of \$30.0 million for 2003. Amounts contain a provision for environmental remediation of \$70.7 million for 2002. Amounts for 2000 also contain a provision for asbestos litigation, net of expected insurance recovery, of \$208.0 million.

(3) 2001 results are retroactively restated to reflect the full consolidation of Advanced Refining Technologies LLC, previously reported as an equity method joint venture. This restatement had no effect on reported sales or net income.

W. K. GRACE & CO. AND SUBSIDIARIES
REPORT ON INTERNAL CONTROLS AND PROCEDURES**General Statement Of Responsibility.**

The management of Grace is responsible for the preparation, integrity and objectivity of the Consolidated Financial Statements and the other information included in this report. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and accordingly include certain amounts that represent management's best estimates and judgments. Actual amounts could differ from those estimates. Management maintains internal controls to assist it in fulfilling its responsibility for financial reporting. These internal controls consist of the control environment, risk assessment, control activities, information and communication, and monitoring. A chartered Disclosure Committee oversees Grace's public financial reporting process and key managers are required to confirm their compliance with Grace's policies and internal controls. While no system of internal controls can ensure elimination of all errors and irregularities, Grace's internal controls, which are reviewed and modified in response to changing conditions, have been designed to provide reasonable assurance that assets are safeguarded, policies and procedures are followed, transactions are properly executed and reported, and appropriate disclosures are made. The concept of reasonable assurance is based on the recognition that there are limitations in all systems of internal control and that the costs of such systems should not exceed their benefits.

Evaluation Of Disclosure Controls And Procedures.

As of December 31, 2003, Grace carried out an evaluation of the effectiveness of the design and operation of its disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, Grace's Chief Executive Officer and Chief Financial Officer (the "Officers") concluded that the Company's disclosure controls and procedures were effective in ensuring that information required to be disclosed in the Company's periodic filings under the Exchange Act is accumulated and communicated to such officers to allow timely decisions regarding required disclosures. However, in early August 2004, the Officers became aware of a mistake in Grace's measurement of the U.S. dollar translation of a third party's equity interest in a small foreign joint venture caused by a two-decimal-point error in the currency conversion factor. The joint venture has 2003 net sales of approximately \$775,000, all of which were made to Grace affiliates, and owner's equity of approximately \$400,000. The third party's equity interest was measured at \$20 million instead of \$200,000, which resulted in an overstatement of Grace's liabilities and an understatement of Grace's shareholders' equity by \$19.8 million in Grace's December 31, 2003 and March 31, 2004 consolidated balance sheets. This noncash error was uncovered as part of Grace's financial review procedures for the quarter ended June 30, 2004. The error had no effect on originally reported net income/loss, per share amounts, net sales, operating income, or any other item in Grace's Consolidated Statements of Operations for the year ended December 31, 2003 or for the first quarter ended March 31, 2004. The error was communicated to Grace's Audit Committee and independent auditors when found.

Upon investigation, it was determined that Grace's validation and review procedures existing at both December 31, 2003 and March 31, 2004 related to the consolidation accounting process should have, but failed to, detect this computational error. As a result, such Officers now conclude that the Company's disclosure controls and procedures were effective except as they relate to the consolidation accounting process in operation at December 31, 2003 or at March 31, 2004. The Officers' believe that added validation and review procedures implemented during 2004, together with those existing before, when appropriately applied, are effective to identify errors of this nature. Grace's independent auditors have advised the Officers that the condition existing, prior to the implementation of added procedures in 2004, when combined with the relative magnitude of the identified error on the measurement of components of shareholders' equity, constituted, at the December and March balance sheet dates, a material weakness in disclosure controls and procedures.

Except for the changes in Grace's consolidation accounting procedures which now include added steps of validation and review, and for periodic enhancements to control processes and policies in response to changing business, organizational, legal and regulatory conditions, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Paul J. Norris, certify that:

1. I have reviewed this annual report on Amended Form 10-K of W. R. Grace & Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2004

/s/ Paul J. Norris

Paul J. Norris
Chairman and
Chief Executive Officer

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Robert M. Tarola, certify that:

1. I have reviewed this annual report on Amended Form 10-K of W. R. Grace & Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2004

/s/ Robert M. Tarola

Robert M. Tarola
Senior Vice President and
Chief Financial Officer

CERTIFICATION UNDER SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), the undersigned certifies that (1) this Annual Report of W. R. Grace & Co. (the "Company") on Amended Form 10-K for the period ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (this "Report"), fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (2) the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Paul J. Norris

Chairman and Chief Executive Officer

/s/ Robert M. Tarola

Senior Vice President and Chief Financial Officer

Date: August 9, 2004

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.